| 1 | HIGHER EDUCATION |
|----|---|
| 2 | EXECUTIVE BUDGET BILL |
| 3 | A bill to make appropriations for the state institutions of |
| 4 | higher education and certain state purposes related to education |
| 5 | for the fiscal year ending September 30, 2009; to provide for the |
| 6 | expenditures of those appropriations; and to prescribe the powers |
| 7 | and duties of certain state departments, institutions, agencies, |
| 8 | employees, and officers. |
| 9 | THE PEOPLE OF THE STATE OF MICHIGAN ENACT: |
| 10 | ARTICLE 1 |
| 11 | SUMMARY AND GENERAL PROVISIONS |
| 12 | Sec. 101. Subject to the conditions set forth in this bill, |
| 13 | the amounts listed in this bill are appropriated for the state |
| 14 | institutions of higher education and certain state purposes related |
| 15 | to education for the fiscal year ending September 30, 2009, from |
| 16 | the funds indicated in this bill. The following is a summary of the |
| 17 | appropriations in this bill: |
| 18 | HIGHER EDUCATION |
| 19 | APPROPRIATION SUMMARY: |
| 20 | Full-time equated classified positions1.0 |
| 21 | GROSS APPROPRIATION |
| 22 | Interdepartmental grant revenues: |
| 23 | Total interdepartmental grants and intradepartmental |
| 24 | transfers 0 |
| 25 | ADJUSTED GROSS APPROPRIATION\$ 1,799,426,000 |
| 26 | Appropriated from: |

| 1 | Federal revenues: | | |
|----|---|--|--|
| 2 | Total federal revenues | | |
| 3 | Special revenue funds: | | |
| 4 | Total local revenues | | |
| 5 | Total private revenues | | |
| 6 | Total other state restricted revenues | | |
| 7 | State general fund/general purpose\$ 1,675,926,000 | | |
| 8 | Sec. 201. Pursuant to section 30 of article IX of the state | | |
| 9 | constitution of 1963, total state spending from state resources | | |
| 10 | under this bill for fiscal year 2008-2009 is \$1,792,026,000.00 and | | |
| 11 | state spending from state resources to be paid to local units of | | |
| 12 | government for fiscal year 2008-2009 is \$0.00. | | |
| 13 | Sec. 202. The appropriations authorized under this bill are | | |
| 14 | subject to the management and budget act, 1984 PA 431, MCL 18.1101 | | |
| 15 | to 18.1594. | | |
| 16 | ARTICLE 2 | | |
| 17 | RESEARCH UNIVERSITIES | | |
| 18 | PART 1 | | |
| 19 | LINE-ITEM APPROPRIATIONS | | |
| 20 | Sec. 101. Subject to the conditions set forth in this bill, the | | |
| 21 | amounts listed in this part are appropriated for research | | |
| 22 | universities for the fiscal year ending September 30, 2009, from | | |
| 23 | the funds indicated in this part. | | |
| 24 | Sec. 102. MICHIGAN STATE UNIVERSITY | | |
| 25 | Operations\$ 297,991,200 | | |
| 26 | Agricultural experiment station | | |
| 27 | Cooperative extension service | | |
| 28 | GROSS APPROPRIATION\$ 363,209,300 | | |
| 29 | Appropriated from: | | |

| 1 | Special revenue funds: |
|--|--|
| 2 | State general fund/general purpose\$ 363,209,300 |
| 3 | Sec. 103. UNIVERSITY OF MICHIGAN - ANN ARBOR |
| 4 | Operations\$ 333,629,800 |
| 5 | GROSS APPROPRIATION\$ 333,629,800 |
| 6 | Appropriated from: |
| 7 | Special revenue funds: |
| 8 | State general fund/general purpose\$ 333,629,800 |
| 9 | Sec. 104. WAYNE STATE UNIVERSITY |
| 10 | Operations\$ 225,984,000 |
| 11 | GROSS APPROPRIATION\$ 225,984,000 |
| 12 | Appropriated from: |
| 13 | Special revenue funds: |
| 14 | State general fund/general purpose\$ 225,984,000 |
| 15 | PART 2 |
| | |
| 16 | PROVISIONS CONCERNING APPROPRIATIONS |
| 16 17 | PROVISIONS CONCERNING APPROPRIATIONS GENERAL SECTIONS |
| | |
| 17 | GENERAL SECTIONS |
| 17 18 | GENERAL SECTIONS Sec. 203. As used in this bill, "research university" means a |
| 17 18 19 | GENERAL SECTIONS Sec. 203. As used in this bill, "research university" means a public university classified as a "research university (very high |
| 17 18 19 20 | GENERAL SECTIONS Sec. 203. As used in this bill, "research university" means a public university classified as a "research university (very high research activity)" under the 2005 classification of institutions |
| 17 18 19 20 21 | GENERAL SECTIONS Sec. 203. As used in this bill, "research university" means a public university classified as a "research university (very high research activity)" under the 2005 classification of institutions of higher education conducted by the Carnegie foundation for the |
| 17 18 19 20 21 22 | GENERAL SECTIONS Sec. 203. As used in this bill, "research university" means a public university classified as a "research university (very high research activity)" under the 2005 classification of institutions of higher education conducted by the Carnegie foundation for the advancement of teaching. |
| 17 18 19 20 21 22 23 | GENERAL SECTIONS Sec. 203. As used in this bill, "research university" means a public university classified as a "research university (very high research activity)" under the 2005 classification of institutions of higher education conducted by the Carnegie foundation for the advancement of teaching. Sec. 208. Unless otherwise specified, the institutions of |
| 17 18 19 20 21 22 23 24 | Sec. 203. As used in this bill, "research university" means a public university classified as a "research university (very high research activity)" under the 2005 classification of institutions of higher education conducted by the Carnegie foundation for the advancement of teaching. Sec. 208. Unless otherwise specified, the institutions of higher education receiving appropriations in part 1 shall use the |
| 17 18 19 20 21 22 23 24 25 | Sec. 203. As used in this bill, "research university" means a public university classified as a "research university (very high research activity)" under the 2005 classification of institutions of higher education conducted by the Carnegie foundation for the advancement of teaching. Sec. 208. Unless otherwise specified, the institutions of higher education receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this bill. This |

- 1 Sec. 209. Funds appropriated in part 1 shall not be used for
- 2 the purchase of foreign goods or services, or both, if
- 3 competitively priced and of comparable quality American goods and
- 4 services, or both, are available. Preference should be given to
- 5 goods or services, or both, manufactured or provided by Michigan
- 6 businesses if they are competitively priced and of comparable
- 7 value. In addition, preference should be given to goods or
- 8 services, or both, that are manufactured or provided by Michigan
- 9 businesses owned and operated by veterans, if they are
- 10 competitively priced and of comparable quality.
- 11 Sec. 212. (1) The funds appropriated in part 1 to state
- 12 institutions of higher education shall be paid out of the state
- 13 treasury and distributed by the state treasurer to the respective
- 14 institutions in 11 equal monthly installments on the sixteenth of
- 15 each month, or the next succeeding business day, beginning with
- 16 October 16, 2008. Except for Wayne State University, each
- 17 institution shall accrue its July and August 2009 payments to its
- 18 institutional fiscal year ending June 30, 2009.
- 19 (2) All universities shall submit higher education
- 20 institutional data inventory (HEIDI) data and associated financial
- 21 and program information requested by and in a manner prescribed by
- 22 the state budget director. For universities with fiscal years
- 23 ending June 30, 2008, these data shall be submitted to the state
- 24 budget director by October 15, 2008. Universities with a fiscal
- 25 year ending September 30, 2008 shall submit preliminary HEIDI data
- 26 by November 15, 2008 and final data by December 15, 2008. If a
- 27 university fails to submit HEIDI data and associated financial aid
- 28 program information in accordance with this reporting schedule, the

- 1 state treasurer may withhold the monthly installments under
- 2 subsection (1) to the university until those data are submitted.
- 3 Sec. 213. Funds received by the state from the federal
- 4 government or private sources for the use of a college or
- 5 university are appropriated for the purposes for which they are
- 6 provided. The acceptance and use of federal or private funds do not
- 7 place an obligation upon the legislature to continue the purposes
- 8 for which the funds are made available.
- 9 Sec. 215. A state institution of higher education that
- 10 receives funds under this bill shall furnish all program and
- 11 financial information that is required by and in a manner
- 12 prescribed by the state budget director or the house or senate
- 13 appropriations committee.

14 UNIVERSITY OPERATIONS

- 15 Sec. 433. (1) Included in part 1 is \$3,042,000.00 for the
- 16 agricultural experiment station and \$2,697,600.00 for the
- 17 cooperative extension service for project GREEEN. Project GREEEN is
- 18 intended to address critical regulatory, food safety, economic, and
- 19 environmental problems faced by this state's plant-based
- 20 agriculture, forestry, and processing industries. "GREEEN" is an
- 21 acronym for generating research and extension to meet environmental
- 22 and economic needs.
- 23 (2) The department of agriculture and Michigan State
- 24 University, in consultation with agricultural commodity groups and
- 25 other interested parties, shall develop project GREEEN and its
- 26 program priorities.
- 27 (3) Not later than September 30, 2009, a report shall be
- 28 submitted by Michigan State University to the state budget
- 29 director, the house and senate appropriations subcommittees on

- 1 agriculture and on higher education, and the house and senate
- 2 fiscal agencies for the preceding fiscal year regarding project
- 3 GREEEN projects. The report shall include, but is not limited to,
- 4 the dollar amount of each project and a review of each project's
- 5 performance and accomplishments.
- 6 Sec. 436. It is expected that each university will limit its
- 7 resident undergraduate tuition and required fees increase from
- 8 academic year 2007-2008 to academic year 2008-2009 to no more than
- 9 the projected inflationary increase of 2.3 percent. Additionally,
- 10 if any state university increases its resident undergraduate
- 11 tuition and required fees from academic year 2007-2008 to academic
- 12 year 2008-2009, then that university shall increase its fiscal year
- 13 2008-2009 general fund expenditures for student financial aid by at
- 14 least the same percentage as the percentage change in resident
- 15 undergraduate tuition and required fees. Each state university
- 16 shall report its proposed fiscal year 2008-2009 general fund
- 17 expenditures for student financial aid compared to its projected
- 18 fiscal year 2007-2008 general fund expenditures for student
- 19 financial aid, and its projected academic year 2008-2009 resident
- 20 undergraduate tuition and required fee changes from academic year
- 21 2007-2008, to the state budget director and the house and senate
- 22 appropriations subcommittees on higher education by November 15,
- **23** 2008.
- 24 Sec. 440. All universities shall submit the amount of tuition
- 25 and fees actually charged to a full-time resident undergraduate
- 26 student for academic year 2008-2009 as part of their higher
- 27 education institutional data inventory (HEIDI) data by August 31,
- 28 2008. A university shall report any revisions for any semester of

- 1 the reported academic year 2008-2009 tuition and fee charges to
- 2 HEIDI within 15 days of being adopted.
- 3 Sec. 466. State universities shall coordinate their purchases
- 4 of goods and services whenever possible. This may include, but is
- 5 not limited to, group purchases for vehicles, utilities, supplies,
- 6 electronic equipment, maintenance equipment, books, and contractual
- 7 services. To the extent possible, the state universities shall use
- 8 both the "Michigan delivering extended agreements locally" (MiDEAL)
- 9 purchasing services of the state department of management and
- 10 budget that makes state contracts available to local units of
- 11 government, colleges, and universities and the purchasing services
- 12 available through the state's membership in the Midwestern Higher
- 13 Education Compact (MHEC). Not later than January 1 of each year,
- 14 the presidents council, state universities of Michigan shall submit
- 15 to the members of the house and senate appropriations subcommittees
- 16 on higher education, the house and senate fiscal agencies, and the
- 17 state budget director a report on group or pooled purchases and the
- 18 savings achieved by the state universities in the previous fiscal
- **19** year.
- Sec. 468. The increase for university operations funding
- 21 contained in part 1 is allocated to each university using a three-
- 22 part incentive-based formula to promote greater participation of
- 23 low-income students in higher education, to reward university
- 24 research and technology transfer, and to recognize the success of
- 25 the university in graduating students.
- Sec. 469. Each university shall report the number of students
- 27 that graduated in academic year 2007-2008 and received a Pell grant
- 28 at any time during their enrollment at that university to the state

- 1 budget director and the house and senate fiscal agencies by
- 2 November 14, 2008.

3 MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS PROGRAMS

- 4 Sec. 501. (1) Included in the appropriation for each state
- 5 university in part 1 is funding for the Martin Luther King, Jr. -
- 6 Cesar Chavez Rosa Parks future faculty program, that is intended
- 7 to increase the pool of academically or economically disadvantaged
- 8 candidates pursuing faculty teaching careers in postsecondary
- 9 education. Preference may not be given to applicants on the basis
- 10 of race, color, ethnicity, gender, or national origin. Institutions
- 11 should encourage applications from applicants who would otherwise
- 12 not adequately be represented in the graduate student and faculty
- 13 populations. Each state university shall apply the percentage
- 14 change applicable to every state university in the calculation of
- 15 appropriations in part 1 to the amount of funds allocated to the
- 16 future faculty program.
- 17 (2) The program shall be administered by each state university
- 18 in a manner prescribed by the Michigan department of labor and
- 19 economic growth. The Michigan department of labor and economic
- 20 growth shall use a good faith effort standard to evaluate whether a
- 21 fellowship is in default.
- 22 Sec. 502. (1) Included in the appropriation for each state
- 23 university in part 1 is funding for the Martin Luther King, Jr. -
- 24 Cesar Chavez Rosa Parks college day program that is intended to
- 25 introduce academically or economically disadvantaged schoolchildren
- 26 to the potential of a college education. Preference may not be
- 27 given to participants on the basis of race, color, ethnicity,
- 28 gender, or national origin. Institutions should encourage

- 1 participation from those who would otherwise not adequately be
- 2 represented in the student population.
- 3 (2) Individual program plans of each state university shall
- 4 include a budget of equal contributions from this program, the
- 5 participating state university, the participating school district,
- 6 and the participating independent degree-granting college. College
- 7 day funds shall not be expended to cover indirect costs. Not more
- 8 than 20% of the university match shall be attributable to indirect
- 9 costs. Each state university shall apply the percentage change
- 10 applicable to every state university in the calculation of
- 11 appropriations in part 1 to the amount of funds allocated to the
- 12 college day program.
- 13 (3) The program described in this section shall be
- 14 administered by each state university in a manner prescribed by the
- 15 Michigan department of labor and economic growth.
- Sec. 505. (1) Included in the appropriation for each state
- 17 university in part 1 is funding for the Martin Luther King, Jr. -
- 18 Cesar Chavez Rosa Parks visiting professors program which is
- 19 intended to increase the number of instructors in the classroom to
- 20 provide role models for academically or economically disadvantaged
- 21 students. Preference may not be given to participants on the basis
- 22 of race, color, ethnicity, gender, or national origin. Institutions
- 23 should encourage participation from those who would otherwise not
- 24 adequately be represented in the student population.
- 25 (2) The program described in this section shall be
- 26 administered by the Michigan department of labor and economic
- 27 growth.

28 STUDENT PERFORMANCE REPORTING

- 1 Sec. 601. (1) From the amount appropriated in part 1 for state
- 2 universities, the state universities shall systematically inform
- 3 Michigan high schools regarding the academic status of students
- 4 from each high school in a manner prescribed by the presidents
- 5 council, state universities of Michigan in cooperation with the
- 6 Michigan association of secondary school principals.
- 7 (2) The Michigan high schools shall systematically inform the
- 8 state universities about the use of information received under this
- 9 section in a manner prescribed by the Michigan association of
- 10 secondary school principals in cooperation with the presidents
- 11 council, state universities of Michigan.
- 12 Sec. 602. From the amount appropriated in part 1 for state
- 13 universities, the state universities shall inform Michigan
- 14 community colleges regarding the academic status of community
- 15 college transfer students in a manner prescribed by the presidents
- 16 council, state universities of Michigan in cooperation with the
- 17 Michigan community college association.
- 18 Sec. 603. State universities shall work with the state
- 19 community colleges to encourage the transfer of students from the
- 20 community colleges to the state universities and to facilitate the
- 21 transfer of credits from the community colleges to the state
- 22 universities.

23

GENERAL REPORTS AND AUDITS

- 24 Sec. 701. (1) The auditor general shall review higher
- 25 education institutional data inventory (HEIDI) enrollment data
- 26 submitted by all state universities and may perform audits of
- 27 selected state universities if determined necessary. The review and
- 28 audits shall be based upon the definitions, requirements, and
- 29 uniform reporting categories established by the state budget

- 1 director in consultation with the HEIDI advisory committee. The
- 2 auditor general shall submit a report of findings to the house and
- 3 senate appropriations committees and the state budget director no
- 4 later than July 1, 2009.
- 5 (2) Student credit hours reports shall not include the
- 6 following:
- 7 (a) Student credit hours generated through instructional
- 8 activity by faculty or staff in classrooms located outside
- 9 Michigan, with the exception of instructional activity related to
- 10 study-abroad programs or field programs.
- 11 (b) Student credit hours generated through distance learning
- 12 instruction for students not eligible for the institution's in-
- 13 state main campus resident tuition rate.
- 14 (c) Student credit hours generated through credit by
- 15 examination.
- 16 (d) Student credit hours generated through inmate prison
- 17 programs regardless of teaching location.
- 18 (e) Student credit hours generated in new degree programs
- 19 after January 1, 1975, that have not been specifically authorized
- 20 for funding by the legislature, except spin-off programs converted
- 21 from existing core programs that do all of the following:
- 22 (i) Represent new options, fields, or concentrations within
- 23 existing programs.
- 24 (ii) Are consistent with the current institutional role and
- 25 mission.
- (iii) Are accommodated within the continuing funding base of the
- 27 institution.

- $\mathbf{1}$ (iv) Do not require a new degree level beyond that which the
- 2 institution is currently authorized to grant within that discipline
- 3 or field.
- $\mathbf{4}$ (v) Do not require funding from the state other than that
- 5 provided by the student credit hours generated within the program,
- 6 either before program initiation or within the first 3 years of
- 7 program operation.
- **8** (3) The auditor general shall periodically audit higher
- 9 education institutional data inventory (HEIDI) data as submitted by
- 10 the state universities for compliance with the definitions for the
- 11 HEIDI database established by the state budget director in
- 12 consultation with the HEIDI advisory committee.
- 13 (4) "Distance learning instruction" as used in subsection (2)
- 14 means instruction that occurs solely in other than a traditional
- 15 classroom setting where the student and instructor are in the same
- 16 physical location and for which a student receives course credits
- 17 and is charged tuition and fees. Examples of distance learning
- 18 instruction are instruction delivered solely through the Internet,
- 19 cable television, teleconference, or mail.
- 20 Sec. 702. The principal executive officer of each institution
- 21 of higher education receiving an appropriation under this bill
- 22 shall expend a portion of the funds appropriated to that
- 23 institution to make a report to the auditor general, the house and
- 24 senate fiscal agencies, and the state budget director within 60
- 25 days after the auditor general issues his or her report on the
- 26 operation of the institution. The institution's report shall
- 27 specify all of the following:

| (a) The recommendations of the auditor general implemented by |
|---|
| the institution, including projected dates and resources required, |
| if any, to achieve compliance. |
| (b) The recommendations of the auditor general not implemented |
| by the institution or implemented by the institution as modified. |
| (c) The rationale for not implementing a recommendation of the |
| auditor general or of implementing a recommendation as modified. |
| Sec. 708. The auditor general may conduct performance audits |
| of state universities during the fiscal year ending September 30, |
| 2009 as the auditor general considers necessary. |
| Sec. 709. An institution of higher education receiving funds |
| under this bill and also subject to the student right-to-know and |
| campus security act, Public Law 101-522, 104 Stat. 2381, shall make |
| a copy of all material prepared pursuant to the public information |
| reporting requirements under the crime awareness and campus |
| security act of 1990, title II of the student right-to-know and |
| campus security act, Public Law 101-542, 104 Stat. 2381, available |
| in electronic Internet format on their websites. |
| Sec. 714. An institution receiving funds under this bill and |
| also subject to the family educational rights and privacy act |
| (FERPA), 20 USC section 1232g, 34 CFR part 99, shall, when |
| requested, provide information from the records of a student to any |
| person or persons to whom the student has authorized disclosure on |
| a written consent form pursuant to 34 CFR 99.30. |
| ARTICLE 3 |
| STATE UNIVERSITIES |
| PART 1 |
| |

LINE-ITEM APPROPRIATIONS

28

| 1 | Sec. 101. Subject to the conditions set forth in this bill, |
|----|--|
| 2 | the amounts listed in this part are appropriated for state |
| 3 | universities for the fiscal year ending September 30, 2009, from |
| 4 | the funds indicated in this part. |
| 5 | Sec. 102. CENTRAL MICHIGAN UNIVERSITY |
| 6 | Operations |
| 7 | GROSS APPROPRIATION\$ 83,825,700 |
| 8 | Appropriated from: |
| 9 | Special revenue funds: |
| 10 | State general fund/general purpose \$ 83,825,700 |
| 11 | Sec. 103. EASTERN MICHIGAN UNIVERSITY |
| 12 | Operations\$ 79,562,900 |
| 13 | GROSS APPROPRIATION\$ 79,562,900 |
| 14 | Appropriated from: |
| 15 | Special revenue funds: |
| 16 | State general fund/general purpose \$ 79,562,900 |
| 17 | Sec. 104. FERRIS STATE UNIVERSITY |
| 18 | Operations\$ 51,297,900 |
| 19 | GROSS APPROPRIATION\$ 51,297,900 |
| 20 | Appropriated from: |
| 21 | Special revenue funds: |
| 22 | State general fund/general purpose \$ 51,297,900 |
| 23 | Sec. 105. GRAND VALLEY STATE UNIVERSITY |
| 24 | Operations\$ 64,937,700 |
| 25 | GROSS APPROPRIATION\$ 64,937,700 |
| 26 | Appropriated from: |
| 27 | Special revenue funds: |
| 28 | State general fund/general purpose \$ 64,937,700 |
| 29 | Sec. 106. LAKE SUPERIOR STATE UNIVERSITY |

| 1 | Operations | \$ 13,788,900 |
|----|---|------------------|
| 2 | GROSS APPROPRIATION | \$ 13,788,900 |
| 3 | Appropriated from: | |
| 4 | Special revenue funds: | |
| 5 | State general fund/general purpose | \$ 13,788,900 |
| 6 | Sec. 107. MICHIGAN TECHNOLOGICAL UNIVERSITY | |
| 7 | Operations | \$ 51,178,400 |
| 8 | GROSS APPROPRIATION | \$ 51,178,400 |
| 9 | Appropriated from: | |
| 10 | Special revenue funds: | |
| 11 | State general fund/general purpose | \$ 51,178,400 |
| 12 | Sec. 108. NORTHERN MICHIGAN UNIVERSITY | |
| 13 | Operations | \$ 47,233,400 |
| 14 | GROSS APPROPRIATION | \$ 47,233,400 |
| 15 | Appropriated from: | |
| 16 | Special revenue funds: | |
| 17 | State general fund/general purpose | \$ 47,233,400 |
| 18 | Sec. 109. OAKLAND UNIVERSITY | |
| 19 | Operations | \$ 53,469,200 |
| 20 | GROSS APPROPRIATION | \$ 53,469,200 |
| 21 | Appropriated from: | |
| 22 | Special revenue funds: | |
| 23 | State general fund/general purpose | \$ 53,469,200 |
| 24 | Sec. 110. SAGINAW VALLEY STATE UNIVERSITY | |
| 25 | Operations | \$ 29,355,700 |
| 26 | GROSS APPROPRIATION | \$ 29,355,700 |
| 27 | Appropriated from: | |
| 28 | Special revenue funds: | |
| 29 | State general fund/general purpose | \$ 29,355,700 |

| 1 | Sec. 111. UNIVERSITY OF MICHIGAN - DEARBORN | | |
|----|---|--|--|
| 2 | Operations\$ 26,771,900 | | |
| 3 | GROSS APPROPRIATION\$ 26,771,900 | | |
| 4 | Appropriated from: | | |
| 5 | Special revenue funds: | | |
| 6 | State general fund/general purpose \$ 26,771,900 | | |
| 7 | Sec. 112. UNIVERSITY OF MICHIGAN - FLINT | | |
| 8 | Operations\$ 22,581,500 | | |
| 9 | GROSS APPROPRIATION\$ 22,581,500 | | |
| 10 | Appropriated from: | | |
| 11 | Special revenue funds: | | |
| 12 | State general fund/general purpose \$ 22,581,500 | | |
| 13 | Sec. 113. WESTERN MICHIGAN UNIVERSITY | | |
| 14 | Operations\$ 114,700,800 | | |
| 15 | GROSS APPROPRIATION\$ 114,700,800 | | |
| 16 | Appropriated from: | | |
| 17 | Special revenue funds: | | |
| 18 | State general fund/general purpose \$ 114,700,800 | | |
| 19 | PART 2 | | |
| 20 | PROVISIONS CONCERNING APPROPRIATIONS | | |
| 21 | GENERAL SECTIONS | | |
| 22 | Sec. 208. Unless otherwise specified, the institutions of | | |
| 23 | higher education receiving appropriations in part 1 shall use the | | |
| 24 | Internet to fulfill the reporting requirements of this bill. This | | |
| 25 | requirement may include transmission of reports via electronic mail | | |
| 26 | to the recipients identified for each reporting requirement, or it | | |
| 27 | may include placement of reports on an Internet or Intranet site. | | |
| 28 | Sec. 209. Funds appropriated in part 1 shall not be used for | | |
| 29 | the purchase of foreign goods or services, or both, if | | |

- 1 competitively priced and of comparable quality American goods and
- 2 services, or both, are available. Preference should be given to
- 3 goods or services, or both, manufactured or provided by Michigan
- 4 businesses if they are competitively priced and of comparable
- 5 value. In addition, preference should be given to goods or
- 6 services, or both, that are manufactured or provided by Michigan
- 7 businesses owned and operated by veterans, if they are
- 8 competitively priced and of comparable quality.
- 9 Sec. 212. (1) The funds appropriated in part 1 to state
- 10 institutions of higher education shall be paid out of the state
- 11 treasury and distributed by the state treasurer to the respective
- 12 institutions in 11 equal monthly installments on the sixteenth of
- 13 each month, or the next succeeding business day, beginning with
- 14 October 16, 2008. Each institution shall accrue its July and August
- 15 2009 payments to its institutional fiscal year ending June 30,
- **16** 2009.
- 17 (2) All universities shall submit higher education
- 18 institutional data inventory (HEIDI) data and associated financial
- 19 and program information requested by and in a manner prescribed by
- 20 the state budget director by October 15, 2008. If a university
- 21 fails to submit HEIDI data and associated financial aid program
- 22 information in accordance with this reporting schedule, the state
- 23 treasurer may withhold the monthly installments under subsection
- 24 (1) to the university until those data are submitted.
- 25 Sec. 213. Funds received by the state from the federal
- 26 government or private sources for the use of a college or
- 27 university are appropriated for the purposes for which they are
- 28 provided. The acceptance and use of federal or private funds do not

- 1 place an obligation upon the legislature to continue the purposes
- 2 for which the funds are made available.
- 3 Sec. 215. A state institution of higher education that
- 4 receives funds under this bill shall furnish all program and
- 5 financial information that is required by and in a manner
- 6 prescribed by the state budget director or the house or senate
- 7 appropriations committee.

8 <u>UNIVERSITY OPERATIONS</u>

- 9 Sec. 436. It is expected that each university will limit its
- 10 resident undergraduate tuition and required fees increase from
- 11 academic year 2007-2008 to academic year 2008-2009 to no more than
- 12 the projected inflationary increase of 2.3 percent. Additionally,
- 13 if any state university increases its resident undergraduate
- 14 tuition and required fees from academic year 2007-2008 to academic
- 15 year 2008-2009, then that university shall increase its fiscal year
- 16 2008-2009 general fund expenditures for student financial aid by at
- 17 least the same percentage as the percentage change in resident
- 18 undergraduate tuition and required fees. Each state university
- 19 shall report its proposed fiscal year 2008-2009 general fund
- 20 expenditures for student financial aid compared to its projected
- 21 fiscal year 2007-2008 general fund expenditures for student
- 22 financial aid, and its projected academic year 2008-2009 resident
- 23 undergraduate tuition and required fee changes from academic year
- 24 2007-2008, to the state budget director and the house and senate
- 25 appropriations subcommittees on higher education by November 15,
- **26** 2008.
- 27 Sec. 440. All universities shall submit the amount of tuition
- 28 and fees actually charged to a full-time resident undergraduate
- 29 student for academic year 2008-2009 as part of their higher

- 1 education institutional data inventory (HEIDI) data by August 31,
- 2 2008. A university shall report any revisions for any semester of
- 3 the reported academic year 2008-2009 tuition and fee charges to
- 4 HEIDI within 15 days of being adopted.
- 5 Sec. 461. From the amount appropriated in part 1 to Lake
- 6 Superior State University for operations, \$100,000.00 shall be paid
- 7 to Bay Mills Community College for the costs of waiving tuition for
- 8 North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.
- 9 Sec. 466. State universities shall coordinate their purchases
- 10 of goods and services whenever possible. This may include, but is
- 11 not limited to, group purchases for vehicles, utilities, supplies,
- 12 electronic equipment, maintenance equipment, books, and contractual
- 13 services. To the extent possible, the state universities shall use
- 14 both the "Michigan delivering extended agreements locally" (MiDEAL)
- 15 purchasing services of the state department of management and
- 16 budget that makes state contracts available to local units of
- 17 government, colleges, and universities and the purchasing services
- 18 available through the state's membership in the Midwestern Higher
- 19 Education Compact (MHEC). Not later than January 1 of each year,
- 20 the presidents council, state universities of Michigan shall submit
- 21 to the members of the house and senate appropriations subcommittees
- 22 on higher education, the house and senate fiscal agencies, and the
- 23 state budget director a report on group or pooled purchases and the
- 24 savings achieved by the state universities in the previous fiscal
- **25** year.
- 26 Sec. 468. The increase for university operations funding
- 27 contained in part 1 is allocated to each university using a three-
- 28 part incentive-based formula to promote greater participation of
- 29 low-income students in higher education, to reward university

- 1 research, and to recognize the success of the university in
- 2 graduating students.
- 3 Sec. 469. Each university shall report the number of students
- 4 that graduated in academic year 2007-2008 and received a Pell grant
- 5 at any time during their enrollment at that university to the state
- 6 budget director and the house and senate fiscal agencies by
- 7 November 14, 2008.

8 MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS PROGRAMS

- 9 Sec. 501. (1) Included in the appropriation for each state
- 10 university in part 1 is funding for the Martin Luther King, Jr. -
- 11 Cesar Chavez Rosa Parks future faculty program, that is intended
- 12 to increase the pool of academically or economically disadvantaged
- 13 candidates pursuing faculty teaching careers in postsecondary
- 14 education. Preference may not be given to applicants on the basis
- 15 of race, color, ethnicity, gender, or national origin. Institutions
- 16 should encourage applications from applicants who would otherwise
- 17 not adequately be represented in the graduate student and faculty
- 18 populations. Each state university shall apply the percentage
- 19 change applicable to every state university in the calculation of
- 20 appropriations in part 1 to the amount of funds allocated to the
- 21 future faculty program.
- 22 (2) The program shall be administered by each state university
- 23 in a manner prescribed by the Michigan department of labor and
- 24 economic growth. The Michigan department of labor and economic
- 25 growth shall use a good faith effort standard to evaluate whether a
- 26 fellowship is in default.
- Sec. 502. (1) Included in the appropriation for each state
- 28 university in part 1 is funding for the Martin Luther King, Jr. -
- 29 Cesar Chavez Rosa Parks college day program that is intended to

- 1 introduce academically or economically disadvantaged schoolchildren
- 2 to the potential of a college education. Preference may not be
- 3 given to participants on the basis of race, color, ethnicity,
- 4 gender, or national origin. Institutions should encourage
- 5 participation from those who would otherwise not adequately be
- 6 represented in the student population.
- 7 (2) Individual program plans of each state university shall
- 8 include a budget of equal contributions from this program, the
- 9 participating state university, the participating school district,
- 10 and the participating independent degree-granting college. College
- 11 day funds shall not be expended to cover indirect costs. Not more
- 12 than 20% of the university match shall be attributable to indirect
- 13 costs. Each state university shall apply the percentage change
- 14 applicable to every state university in the calculation of
- 15 appropriations in part 1 to the amount of funds allocated to the
- 16 college day program.
- 17 (3) The program described in this section shall be
- 18 administered by each state university in a manner prescribed by the
- 19 Michigan department of labor and economic growth.
- 20 Sec. 505. (1) Included in the appropriation for each state
- 21 university in part 1 is funding for the Martin Luther King, Jr. -
- 22 Cesar Chavez Rosa Parks visiting professors program which is
- 23 intended to increase the number of instructors in the classroom to
- 24 provide role models for academically or economically disadvantaged
- 25 students. Preference may not be given to participants on the basis
- 26 of race, color, ethnicity, gender, or national origin. Institutions
- 27 should encourage participation from those who would otherwise not
- 28 adequately be represented in the student population.

- 1 (2) The program described in this section shall be
- 2 administered by the Michigan department of labor and economic
- 3 growth.

4 STUDENT PERFORMANCE REPORTING

- 5 Sec. 601. (1) From the amount appropriated in part 1 for state
- 6 universities, the state universities shall systematically inform
- 7 Michigan high schools regarding the academic status of students
- 8 from each high school in a manner prescribed by the presidents
- 9 council, state universities of Michigan in cooperation with the
- 10 Michigan association of secondary school principals.
- 11 (2) The Michigan high schools shall systematically inform the
- 12 state universities about the use of information received under this
- 13 section in a manner prescribed by the Michigan association of
- 14 secondary school principals in cooperation with the presidents
- 15 council, state universities of Michigan.
- 16 Sec. 602. From the amount appropriated in part 1 for state
- 17 universities, the state universities shall inform Michigan
- 18 community colleges regarding the academic status of community
- 19 college transfer students in a manner prescribed by the presidents
- 20 council, state universities of Michigan in cooperation with the
- 21 Michigan community college association.
- 22 Sec. 603. State universities shall work with the state
- 23 community colleges to encourage the transfer of students from the
- 24 community colleges to the state universities and to facilitate the
- 25 transfer of credits from the community colleges to the state
- 26 universities.

27

GENERAL REPORTS AND AUDITS

- 28 Sec. 701. (1) The auditor general shall review higher
- 29 education institutional data inventory (HEIDI) enrollment data

- 1 submitted by all state universities and may perform audits of
- 2 selected state universities if determined necessary. The review and
- 3 audits shall be based upon the definitions, requirements, and
- 4 uniform reporting categories established by the state budget
- 5 director in consultation with the HEIDI advisory committee. The
- 6 auditor general shall submit a report of findings to the house and
- 7 senate appropriations committees and the state budget director no
- 8 later than July 1, 2009.
- 9 (2) Student credit hours reports shall not include the
- 10 following:
- 11 (a) Student credit hours generated through instructional
- 12 activity by faculty or staff in classrooms located outside
- 13 Michigan, with the exception of instructional activity related to
- 14 study-abroad programs or field programs.
- 15 (b) Student credit hours generated through distance learning
- 16 instruction for students not eligible for the institution's in-
- 17 state main campus resident tuition rate.
- 18 (c) Student credit hours generated through credit by
- 19 examination.
- 20 (d) Student credit hours generated through inmate prison
- 21 programs regardless of teaching location.
- 22 (e) Student credit hours generated in new degree programs
- 23 after January 1, 1975, that have not been specifically authorized
- 24 for funding by the legislature, except spin-off programs converted
- 25 from existing core programs that do all of the following:
- 26 (i) Represent new options, fields, or concentrations within
- 27 existing programs.
- (ii) Are consistent with the current institutional role and
- 29 mission.

- ${f 1}$ (iii) Are accommodated within the continuing funding base of the
- 2 institution.
- 3 (iv) Do not require a new degree level beyond that which the
- 4 institution is currently authorized to grant within that discipline
- 5 or field.
- (v) Do not require funding from the state other than that
- 7 provided by the student credit hours generated within the program,
- 8 either before program initiation or within the first 3 years of
- 9 program operation.
- 10 (3) The auditor general shall periodically audit higher
- 11 education institutional data inventory (HEIDI) data as submitted by
- 12 the state universities for compliance with the definitions for the
- 13 HEIDI database established by the state budget director in
- 14 consultation with the HEIDI advisory committee.
- 15 (4) "Distance learning instruction" as used in subsection (2)
- 16 means instruction that occurs solely in other than a traditional
- 17 classroom setting where the student and instructor are in the same
- 18 physical location and for which a student receives course credits
- 19 and is charged tuition and fees. Examples of distance learning
- 20 instruction are instruction delivered solely through the Internet,
- 21 cable television, teleconference, or mail.
- 22 Sec. 702. The principal executive officer of each institution
- 23 of higher education receiving an appropriation under this bill
- 24 shall expend a portion of the funds appropriated to that
- 25 institution to make a report to the auditor general, the house and
- 26 senate fiscal agencies, and the state budget director within 60
- 27 days after the auditor general issues his or her report on the
- 28 operation of the institution. The institution's report shall
- 29 specify all of the following:

1 (a) The recommendations of the auditor general implemented by 2 the institution, including projected dates and resources required, if any, to achieve compliance. 3 (b) The recommendations of the auditor general not implemented 4 by the institution or implemented by the institution as modified. 5 (c) The rationale for not implementing a recommendation of the 6 auditor general or of implementing a recommendation as modified. 7 Sec. 708. The auditor general may conduct performance audits 8 9 of state universities during the fiscal year ending September 30, 10 2009 as the auditor general considers necessary. 11 Sec. 709. An institution of higher education receiving funds under this bill and also subject to the student right-to-know and 12 campus security act, Public Law 101-522, 104 Stat. 2381, shall make 13 14 a copy of all material prepared pursuant to the public information reporting requirements under the crime awareness and campus 15 16 security act of 1990, title II of the student right-to-know and 17 campus security act, Public Law 101-542, 104 Stat. 2381, available in electronic Internet format on their websites. 18 19 Sec. 714. An institution receiving funds under this bill and also subject to the family educational rights and privacy act 20 (FERPA), 20 USC section 1232g, 34 CFR part 99, shall, when 21 22 requested, provide information from the records of a student to any 23 person or persons to whom the student has authorized disclosure on 24 a written consent form pursuant to 34 CFR 99.30. 25 ARTICLE 4 STATE AND REGIONAL PROGRAMS, GRANTS, AND FINANCIAL AID 26 PART 1 27

LINE-ITEM APPROPRIATIONS

28

Page 25 of 38

| 1 | Sec. 101. Subject to the conditions set forth in th | is bi | 11, |
|----|--|--------|------------|
| 2 | the amounts listed in this part are appropriated for cer | tain s | state |
| 3 | purposes related to education for the fiscal year ending | Septe | ember |
| 4 | 30, 2009, from the funds indicated in this part. | | |
| 5 | Sec. 102. STATE AND REGIONAL PROGRAMS | | |
| 6 | Full-time equated positions1.0 | | |
| 7 | Higher education database modernization and | | |
| 8 | conversion1.0 FTE position | \$ | 200,000 |
| 9 | Midwestern higher education compact | | 95,000 |
| 10 | GROSS APPROPRIATION | \$ | 295,000 |
| 11 | Appropriated from: | | |
| 12 | Special revenue funds: | | |
| 13 | State general fund/general purpose | \$ | 295,000 |
| 14 | Sec. 103. MARTIN LUTHER KING, JR CESAR CHAVEZ - | | |
| 15 | ROSA PARKS PROGRAM | | |
| 16 | Select student supportive services | \$ | 1,956,100 |
| 17 | Michigan college/university partnership program | | 586,800 |
| 18 | Morris Hood, Jr. educator development program | | 148,600 |
| 19 | GROSS APPROPRIATION | \$ | 2,691,500 |
| 20 | Appropriated from: | | |
| 21 | Special revenue funds: | | |
| 22 | State general fund/general purpose | \$ | 2,691,500 |
| 23 | Sec. 104. GRANTS AND FINANCIAL AID | | |
| 24 | State competitive scholarships | \$ | 35,530,500 |
| 25 | Tuition grants | | 56,668,100 |
| 26 | Michigan work-study program | | 7,326,300 |
| 27 | Part-time independent student program | | 2,653,300 |
| 28 | Michigan education opportunity grants | | 2,084,200 |
| 29 | Robert C. Byrd honors scholarship program | | 1,500,000 |
| | | | |

| 1 | Nursing scholarship and grant programs |) | |
|----|--|----------|--|
| 2 | Michigan merit award program 5,200,000 |) | |
| 3 | Michigan promise grant program |) | |
| 4 | Tuition incentive program |) | |
| 5 | Children of veterans tuition grant program |) | |
| 6 | Project gear-up | <u>)</u> | |
| 7 | GROSS APPROPRIATION\$ 234,912,400 |) | |
| 8 | Appropriated from: | | |
| 9 | Federal revenues: | | |
| 10 | Higher education act of 1965, title IV, 20 USC 2,900,000 |) | |
| 11 | Higher education act of 1965, title IV, part A 1,500,000 |) | |
| 12 | United States department of education, office of | | |
| 13 | elementary and secondary education, gear-up 3,000,000 |) | |
| 14 | Special revenue funds: | | |
| 15 | Michigan merit award trust fund |) | |
| 16 | Contributions to children of veterans tuition grant | | |
| 17 | program 300,000 |) | |
| 18 | State general fund/general purpose\$ 111,412,400 |) | |
| 19 | PART 2 | | |
| 20 | PROVISIONS CONCERNING APPROPRIATIONS | | |
| 21 | GRANTS AND FINANCIAL AID | | |
| 22 | Sec. 301. (1) Payments of the amounts included in part 1 for | | |
| 23 | the state competitive scholarship program shall be distributed | | |
| 24 | pursuant to 1964 PA 208, MCL 390.971 to 390.981. | | |
| 25 | (2) The Michigan higher education assistance authority shall | | |
| 26 | implement a proportional competitive scholarship maximum award | | |
| 27 | level for recipients enrolled less than full-time in a given | | |
| 28 | semester or term. | | |

- 1 (3) If a student who receives an award under this section has
- 2 his or her tuition and fees paid under the Michigan educational
- 3 trust program, pursuant to the Michigan education trust act, 1986
- 4 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the
- 5 funds awarded under this section may be used for educational
- 6 expenses other than tuition and fees.
- 7 (4) If the Michigan higher education assistance authority
- 8 increases the maximum award per eliqible student from that provided
- 9 in the previous fiscal year, it shall not have the effect of
- 10 reducing the number of eligible students receiving awards in
- 11 relation to the total number of eligible applicants. Any increase
- 12 in the maximum grant shall be proportional for all eligible
- 13 students receiving awards.
- 14 (5) Students who receive aid under 1964 PA 208, MCL 390.971 to
- 15 390.981, shall be awarded scholarships on the basis of merit and
- 16 financial need. Veterans administration benefits shall not be
- 17 considered in determining eligibility under 1964 PA 208, MCL
- **18** 390.971 to 390.981.
- 19 Sec. 302. (1) The amounts appropriated in part 1 for the state
- 20 tuition grant program shall be distributed pursuant to 1966 PA 313,
- 21 MCL 390.991 to 390.997a.
- 22 (2) Tuition grant awards shall be made to all eligible
- 23 Michigan residents who apply before June 1, 2008 and who are
- 24 qualified. Tuition grant awards shall not be made to students newly
- 25 enrolled in a juris doctor law degree program after the 1995-1996
- 26 academic year.
- **27** (3) The Michigan higher education assistance authority shall
- 28 determine an actual maximum tuition grant award per student that
- 29 ensures that the aggregate payments for the tuition grant program

- 1 do not exceed the appropriation contained in part 1 for the state
- 2 tuition grant program. By December 15, 2008, and again by February
- 3 1, 2009, the authority shall analyze the status of award
- 4 commitments, shall make any necessary adjustments, and shall
- 5 confirm that those award commitments will not exceed the
- 6 appropriation contained in part 1 for the tuition grant program.
- 7 The determination and actions shall be reported to the state budget
- 8 director and the house and senate fiscal agencies no later than
- **9** February 15, 2009. If award adjustments are necessary, the students
- 10 shall be notified of the adjustment by the third Monday in
- 11 February.
- 12 (4) The Michigan higher education assistance authority shall
- 13 continue a proportional tuition grant maximum award level for
- 14 recipients enrolled less than full-time in a given semester or
- 15 term.
- 16 (5) If the Michigan higher education assistance authority
- 17 increases the maximum award per eligible student from that provided
- 18 in the previous fiscal year, it shall not have the effect of
- 19 reducing the number of eligible students receiving awards in
- 20 relation to the total number of eliqible applicants. Any increase
- 21 in the maximum grant shall be proportional for all eligible
- 22 students receiving awards for fiscal year 2008-2009.
- 23 Sec. 303. (1) Included in the appropriation in part 1 is
- 24 funding for the Michigan work-study program established under 1986
- 25 PA 288, MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to
- 26 390.1332. An effort should be made by each institution
- 27 participating in the Michigan work-study program to assure that not
- 28 less than 10% of those undergraduate, graduate, and professional
- 29 students eligible to participate in the program are placed with

- 1 for-profit employers no later than December 31 of each year for
- 2 which funding is provided under this bill.
- 3 (2) The Michigan higher education assistance authority shall
- 4 allocate funds to institutions eligible for work-study money based
- 5 upon each institution's specific Pell grant index and each
- 6 institution's utilization rate of work-study funds for the 3 most
- 7 recent years for which statistics are available.
- **8** (3) The Michigan higher education assistance authority shall
- 9 set aside not more than 5% of the total work-study appropriation to
- 10 process requests from participating institutions for allocation
- 11 adjustments. Allocation adjustments shall be based on criteria set
- 12 by the authority prior to making the allocations under subsection
- **13** (2).
- 14 Sec. 307. The auditor general may audit selected enrollments,
- 15 degrees, and awards at selected independent colleges and
- 16 universities receiving awards administered by the department of
- 17 treasury. The audits shall be based upon definitions and
- 18 requirements established by the Michigan higher education
- 19 assistance authority, the state budget director, and the senate and
- 20 house fiscal agencies. The auditor general shall accept the Free
- 21 Application for Federal Student Aid (FAFSA) form as the standard of
- 22 residency documentation. The auditor general shall submit a report
- 23 of findings to the senate and house appropriations committees and
- 24 state budget director by May 1, 2009.
- Sec. 308. The sums appropriated in part 1 for the student
- 26 financial aid programs shall be paid out of the state treasury and
- 27 shall be distributed to the respective institutions under a
- 28 quarterly payment system as follows:

- 1 (a) For the state competitive scholarship, nursing
- 2 scholarship, tuition incentive, and tuition grant programs, 40%
- 3 shall be paid at the beginning of the state's first fiscal quarter,
- 4 40% at the beginning of the state's second fiscal quarter, 10% at
- 5 the beginning of the state's third fiscal quarter, and 10% at the
- 6 beginning of the state's fourth fiscal quarter.
- 7 (b) For the work-study program, payments shall be made in 11
- 8 monthly installments from October 1 to August 31 of any year.
- **9** (c) For the part-time independent student program and the
- 10 Michigan education opportunity grant program, 50% shall be paid at
- 11 the beginning of the state's first fiscal quarter, 25% at the
- 12 beginning of the state's second fiscal quarter, and 25% at the
- 13 beginning of the state's third fiscal quarter.
- 14 (d) For the Robert C. Byrd honors scholarship program, 50%
- 15 shall be paid at the beginning of the state's first fiscal quarter
- 16 and 50% at the beginning of the state's second fiscal quarter.
- 17 Sec. 309. The Michigan higher education assistance authority
- 18 shall determine the needs analysis criteria for students to qualify
- 19 for the state competitive scholarship program and tuition grant
- 20 program. To be consistent with federal requirements, student wages
- 21 may be taken into consideration when determining the amount of the
- 22 award.
- Sec. 310. (1) The funds appropriated in part 1 for the tuition
- 24 incentive program shall be distributed as provided in this section
- 25 and pursuant to the administrative procedures for the tuition
- 26 incentive program of the department of treasury.
- 27 (2) As used in this section:
- (a) "Phase I" means the first part of the tuition incentive
- 29 assistance program defined as the academic period of 80 semester or

- 1 120 term credits, or less, leading to an associate degree or
- 2 certificate.
- 3 (b) "Phase II" means the second part of the tuition incentive
- 4 assistance program which provides assistance in the third and
- 5 fourth year of 4-year degree programs.
- 6 (c) "Department" means the department of treasury.
- 7 (3) A person shall meet the following basic criteria and
- 8 financial thresholds to be eligible for tuition incentive benefits:
- 9 (a) To be eligible for phase I, a person shall meet all of the
- 10 following criteria:
- 11 (i) Apply for certification to the department before graduating
- 12 from high school or completing the general education development
- 13 (GED) certificate.
- 14 (ii) Be less than 20 years of age at the time of high school
- 15 graduation or GED completion.
- 16 (iii) Be a United States citizen and a resident of Michigan
- 17 according to institutional criteria.
- 18 (iv) Be at least a half-time student, earning less than 80
- 19 semester or 120 term credits at a participating educational
- 20 institution within 4 years of high school graduation or GED
- 21 certificate completion.
- (v) Request information on filing a FAFSA.
- (b) To be eligible for phase II, a person shall meet either of
- 24 the following criteria in addition to the criteria in subdivision
- **25** (a):
- 26 (i) Complete at least 56 transferable semester or 84
- 27 transferable term credits.
- (ii) Obtain an associate degree or certificate at a
- 29 participating institution.

- 1 (c) To be eligible for phase I or phase II, a person must be
- 2 financially eligible as determined by the department. A person is
- 3 financially eligible for the tuition incentive program if that
- 4 person was Medicaid eligible for 24 months within the 36 months
- 5 before application. Certification of eliqibility may begin in the
- 6 sixth grade.
- 7 (4) For phase I, the department shall provide payment on
- 8 behalf of a person eliqible under subsection (3). The department
- 9 shall reject billings that are excessive or outside the guidelines
- 10 for the type of educational institution.
- 11 (5) For phase I, all of the following apply:
- (a) Payments for associate degree or certificate programs
- 13 shall not be made for more than 80 semester or 120 term credits for
- 14 any individual student at any participating institution.
- 15 (b) For persons enrolled at a Michigan community college, the
- 16 department shall pay the current in-district tuition and mandatory
- 17 fees. For persons residing in an area that is not included in any
- 18 community college district, the out-of-district tuition rate may be
- 19 authorized.
- 20 (c) For persons enrolled at a Michigan public university, the
- 21 department shall pay lower division resident tuition and mandatory
- 22 fees for the current year.
- 23 (d) For persons enrolled at a Michigan independent, nonprofit
- 24 degree-granting college or university, or a Michigan federal
- 25 tribally controlled community college, or Focus: HOPE, the
- 26 department shall pay mandatory fees for the current year and a per-
- 27 credit payment that does not exceed the average community college
- 28 in-district per-credit tuition rate as reported on August 1, for
- 29 the immediately preceding academic year.

- 1 (6) A person participating in phase II may be eligible for
- 2 additional funds not to exceed \$500.00 per semester or \$400.00 per
- 3 term up to a maximum of \$2,000.00 subject to the following
- 4 conditions:
- 5 (a) Credits are earned in a 4-year program at a Michigan
- 6 degree-granting 4-year college or university.
- 7 (b) The tuition reimbursement is for coursework completed
- 8 within 30 months of completion of the phase I requirements.
- **9** (7) The department shall work closely with participating
- 10 institutions to develop an application and eligibility
- 11 determination process that will provide the highest level of
- 12 participation and ensure that all requirements of the program are
- **13** met.
- 14 (8) Applications for the tuition incentive program may be
- 15 approved at any time after the student begins the sixth grade. If a
- 16 determination of financial eligibility is made, that determination
- 17 is valid as long as the student meets all other program
- 18 requirements and conditions.
- 19 (9) Each institution shall ensure that all known available
- 20 restricted grants for tuition and fees are used prior to billing
- 21 the tuition incentive program for any portion of a student's
- 22 tuition and fees.
- 23 (10) The department shall ensure that the tuition incentive
- 24 program is well publicized and that potentially eligible Medicaid
- 25 clients are provided information on the program. The department
- 26 shall provide the necessary funding and staff to fully operate the
- 27 program.
- 28 Sec. 311. To enable the legislature and the state budget
- 29 director to evaluate the appropriation needs of higher education,

- 1 each independent college and university shall make available to the
- 2 legislature or state budget director, upon request, data regarding
- 3 grants for the preceding, current, and ensuing fiscal years.
- 4 Sec. 312. From the funds appropriated in part 1 for nursing
- 5 scholarship and grant programs, the Michigan higher education
- 6 assistance authority shall administer any nursing scholarship or
- 7 nursing school grant programs authorized under the Michigan nursing
- 8 scholarship act, 2002 PA 591, MCL 390.1181 to 390.1189.
- 9 Sec. 314. By December 1 of each year, the Michigan higher
- 10 education assistance authority shall submit a report to the state
- 11 budget director, the house and senate appropriations subcommittees
- 12 on higher education, and the house and senate fiscal agencies for
- 13 the preceding fiscal year on the children of veterans tuition grant
- 14 program. The report shall include, but is not limited to, the total
- 15 number of tuition grants paid by the authority in the preceding
- 16 fiscal year, the total dollar amount of those tuition grants, and
- 17 the number of students receiving tuition grants and the total
- 18 amount of those tuition grants at each eligible institution.

19 STATE AND REGIONAL PROGRAMS

- Sec. 405. The funds appropriated in part 1 for higher
- 21 education database modernization and conversion shall be expended
- 22 to maintain, coordinate, and improve the higher education
- 23 institutional data inventory (HEIDI) established under section 1299
- of the management and budget act, 1984 PA 431, MCL 18.1299. The
- 25 advisory committee established under that section shall meet
- 26 regularly to review data definitions and requirements in order to
- 27 advise the state budget director regarding changes to those
- 28 definitions and requirements that would result in more useful and

- 1 reliable data being provided to state policymakers and university
- 2 officials.

3 MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS PROGRAMS

- 4 Sec. 503. (1) Included in part 1 is funding for the Martin
- 5 Luther King, Jr. Cesar Chavez Rosa Parks select student support
- 6 services program for developing academically or economically
- 7 disadvantaged student retention programs for 4-year state and
- 8 independent educational institutions in this state. Preference may
- 9 not be given to participants on the basis of race, color,
- 10 ethnicity, gender, or national origin. Institutions should
- 11 encourage participation from those who would otherwise not
- 12 adequately be represented in the student population.
- 13 (2) An award made under this program to any 1 institution
- 14 shall not be greater than \$150,000.00, and the amount awarded shall
- 15 be matched on a 70% state, 30% college or university basis.
- 16 (3) The program described in this section shall be
- 17 administered by the Michigan department of labor and economic
- 18 growth.
- 19 Sec. 504. (1) Included in part 1 is funding for the Martin
- 20 Luther King, Jr. Cesar Chavez Rosa Parks college/university
- 21 partnership program between 4-year state and independent colleges
- 22 and universities and public community colleges, which is intended
- 23 to increase the number of academically or economically
- 24 disadvantaged students who transfer from community colleges into
- 25 baccalaureate programs. Preference may not be given to participants
- 26 on the basis of race, color, ethnicity, gender, or national origin.
- 27 Institutions should encourage participation from those who would
- 28 otherwise not adequately be represented in the transfer student
- 29 population.

- 1 (2) The grants shall be made under the program described in
- 2 this section to Michigan state and independent colleges and
- 3 universities. An award to any 1 institution shall not be greater
- 4 than \$150,000.00, and the amount awarded shall be matched on a 70%
- 5 state, 30% college or university basis.
- 6 (3) The program described in this section shall be
- 7 administered by the Michigan department of labor and economic
- 8 growth.
- 9 Sec. 506. (1) Included in the appropriation in part 1 is
- 10 funding under the Martin Luther King, Jr. Cesar Chavez Rosa
- 11 Parks initiative for the Morris Hood, Jr. educator development
- 12 program which is intended to increase the number of academically or
- economically disadvantaged students who enroll in and complete K-12
- 14 teacher education programs at the baccalaureate level. Preference
- 15 may not be given to participants on the basis of race, color,
- 16 ethnicity, gender, or national origin. Institutions should
- 17 encourage participation from those who would otherwise not
- 18 adequately be represented in the teacher education student
- 19 population.
- 20 (2) The program described in this section shall be
- 21 administered by each state-approved teacher education institution
- 22 in a manner prescribed by the Michigan department of labor and
- 23 economic growth.
- 24 (3) Approved teacher education institutions may and are
- 25 encouraged to use student support services funding in coordination
- 26 with the Morris Hood, Jr. funding to achieve the goals of the
- 27 program described in this section.
- 28 Sec. 507. Each state institution of higher education receiving
- 29 funds under section 503, 504, or 506 shall notify the Michigan

- 1 department of labor and economic growth by April 15, 2009 as to
- 2 whether it will expend by the end of its fiscal year the funds
- 3 received under section 503, 504, or 506. Notwithstanding the award
- 4 limitations in sections 503 and 504, the amount of funding reported
- 5 as not being expended will be reallocated to the institutions that
- 6 intend to expend all funding received under section 503, 504, or
- **7** 506.